Review of various schemes in NER

5016. SHRI S.S. AHLUWALIA: WiU the Minister of DEVELOPMENT OF NORTH EASTERN REGiON be pleased to state:

(a) whether Government have reviewed the current status of various schemes over the last several decades under the New Industrial Policy and the special concession *viz.*. transport subsidy, growth centre, capital investment subsidy, central interest subsidy, comprehensive insurance scheme etc.. in the North Eastern Region for attracting investments;

(b) if so, the salient features thereof in the respective States of the region; and

(c) whether it is a fact that duration of certain schemes *e.g.* Central Transport Subsidy Scheme introduced in 1971 etc. has been simply extended further as *ad-hoc* measure without analyzing their effectiveness in fuelling the actual development ?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI TAPAN SIKDAR): (a) and (b) Yes, Sir. The Government have announced a New Industrial Policy and other concessions for the North-Eastem Region on 24th December, 1997. The Industrial Policy for the region aims at attracting investors by giving them the following incentives/ concessions/subsidies :—

(i) Excise and Income Tax exemptions for a period of 10 years.

(ii) Subsidies, such as Transport Subsidy. Capital Investment Subsidy, Central Interest Subsidy and premium for Comprehensive Insurance on capital investment.

(iii) Promote infrastructure development through Schemes like Growth Centre of Department of Industrial Policy & Promotion and Integrated Infrastructure Development Centre (IIDC) of Ministry of Small Scale Industry.

(iv) A financial institution namely. North Eastern Development Finance Corporation (NEDFi) has been established as a Special Purpose Vehicle for development of the North-Eastern Region and is the nodal agency for disbursement of subsidies in the region.

NEDFi has undertaken an impact assessment study of the NEIP. The study has revealed that the NEIP has had a positive impact on the industrial development of the NER as evident from the details of subsidies disbursed under the various Subsidy Schemes, total loans sanctioned and employment generated in the

North East by NEDFi given in the enclosed Statement *{See* below).

To assess the impact of the North East Industrial Policy on the industrialization of North - Eastern Region a study is also being proposed through an independent Consultant.

(c) No, Sir. An impact evaluation and review of the Transport Subsidy Scheme has been undertaken by the National Productivity Council (NPC), which shows that:—

(i) Transport Subsidy has helped in industrial growth in the areas specified under the Scheme in terms of three important parameters *viz.*. number of factories, employment and output.

(ii) There have been indirect benefits of Transport Subsidy like infrastructure development.

(iii) There has been expansion/diversification in the Units; and

(iv) Performance of beneficiary Units has been satisfactory.

Statement

Details of schemes, loans sanctioned and employment generated in the North East by NEDFi

A. Subsidies disbursed by NEDFi (as on 31 -03-2003)

(Rs. in lakh)

SI. ' No	State	Transport Subsidy Scheme	Capital Investment Subsidy Scheme	Central Interest Subsidy
1	Arunachal Pradesh	450	0	0
2	Assam	5299	951	91.7
3	Manipur	0	0	0
4	Meghalaya	3234	357	41.26
5	Mizoram	1064	0	0
6	Nagaland	1166	0	0
7	Tripura	197	83	0.07
	TOTAL:	11410	1391	133.03

B. Loans sanctioned by NEDFi.

(Rs. in lakh)

SI. No.	State	2000-2001	2001-2002	2002-2003
1	Arunachal Pradesh	418	291	136
2	Assam	3945	3166	3403
3	Manipur	350	80	59
4	Meghalya	2659	2582	2112
5	Mizoram	156	45	114
6	Nagaland	490	124	80
7	Tripura	306	16	460
	TOTAL:	8324	6304	6364

C. Employment generation ir i NER by NEDFi assisted units.

(Rs. in lakh)

SI. No.	State	2000-2001	2001-2002	2002-2003
1	Arunachal Pradesh	141	79	57
2	Assam	1763	1653	3059
3	Manipur	885	43	489
4	Meghalaya	401	371	81
5	Mizoram	203	20	509
6	Nagaland	431	172	29
7	Tripura	28	193	-
	TOTAL:	3852	2531	4224

Non-completion of central projects in NER

5017.DR ARUN KUMAR SARMA: Will the Minister of DEVELOPMENT OF NORTH EASTERN REGION be pleased to state:

(a) the list of Central Projects of the Ninth Five Year Plan which remained incomplete in the North Eastern Region due to inadequacy of funds including North Eastern Council.